

**PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA  
COMMISSION DIRECTIVE**

ADMINISTRATIVE MATTER	<input type="checkbox"/>	DATE	<b>September 19, 2018</b>
MOTOR CARRIER MATTER	<input type="checkbox"/>	DOCKET NO.	<b>2017-207-E/2017-305-E 2017-370-E</b>
UTILITIES MATTER	<input checked="" type="checkbox"/>	ORDER NO.	<b>2018-634</b>

**THIS DIRECTIVE SHALL SERVE AS THE COMMISSION'S ORDER ON THIS ISSUE.**

**SUBJECT:**

[DOCKET NO. 2017-207-E](#) - Friends of the Earth and Sierra Club, Complainants/Petitioners v. South Carolina Electric & Gas Company, Defendant/Respondent;

[DOCKET NO. 2017-305-E](#) - Request of the Office of Regulatory Staff for Rate Relief to South Carolina Electric & Gas Company's Rates Pursuant to S.C. Code Ann. § 58-27-920;

-and-

[DOCKET NO. 2017-370-E](#) - Joint Application and Petition of South Carolina Electric & Gas Company and Dominion Energy, Incorporated for Review and Approval of a Proposed Business Combination between SCANA Corporation and Dominion Energy, Incorporated, as May Be Required, and for a Prudency Determination Regarding the Abandonment of the V.C. Summer Units 2 & 3 Project and Associated Customer Benefits and Cost Recovery Plans - Staff Presents for Commission Consideration the Petition for Reconsideration of Hearing Officer Directive Order No. 2018-112-H (the "Bifurcation Order"), Filed on Behalf of the South Carolina Coastal Conservation League and South Alliance for Clean Energy.

**COMMISSION ACTION:**

The South Carolina Coastal Conservation League ("CCL") and Southern Alliance for Clean Energy ("SACE") have filed a Petition for Reconsideration of Hearing Officer Directive Order No. 2018-112-H, which denied the Petitioners' motion to bifurcate the consolidated SCE&G nuclear dockets, or in the alternative, to sequence the hearing. For the reasons outlined below, I move that the Petition be denied.

The Petitioners state, as they did in their original motion, that, rather than having a combined hearing, it would be a better use of judicial resources for the Commission to hold two separate proceedings on the abandonment and merger issues in the case, or to sequence the single hearing. The Petitioners further argue that Ratification No. 285 permits the Commission to bifurcate the consolidated Dockets into two distinct dockets and to delay its decision on what the Petitioners consider the non-Base Load Review Act issues (i.e. the requests for approval of the merger and benefits plans) past the deadline of December 21, 2018.

The Petitioners take issue with the Hearing Officer's finding that the concepts of abandonment and merger are related, and therefore clearly constitute requests made pursuant to the Base Load Review Act ("BLRA"), with the resultant requirement that all issues be ruled on by December 21, 2018. They argue that, under the Resolution, the Companies' requests must be made "pursuant to the Base Load Review Act," and that the examination of the "Customer Benefits Plan" and other plans connected with the Merger proposal is not "pursuant" to that Act. I believe that the Hearing Officer correctly noted, as shown in the original Dominion-SCE&G Petition for approval of a business combination, that the benefits plans under the merger include proposals for rate mitigation for, among other things, abandonment costs incurred by SCE&G. Further, that original Petition alleges that the "Customer Benefits Plan" must be considered under two statutes, Sections 58-27-570 (F) and Section 58-33-280 (K), the latter statute being part of the Base Load Review Act. Therefore, the Hearing Officer correctly concluded that the concepts of merger and

abandonment are related and clearly constitute requests made “pursuant to the Base Load Review Act.” Also, Act No. 258 bars the Commission from considering any requests made pursuant to the Base Load Review Act other than in a Docket currently pending before the Commission. Therefore, under the statutes, both matters must be concluded by December 21, 2018, and there is no opportunity for consideration of the merger matters that would conclude next year. This ground for reconsideration should be rejected.

The Petitioners also argue, as they did in prior pleadings that bifurcation would simplify the proceedings and clarify the issues. However, SCE&G and Dominion assert that under either bifurcation or sequencing, witnesses will have to be called to the stand twice, cross-examined twice, questioned by the Commission twice, and redirected twice. The scheduling of the expert witnesses would become complicated. As pointed out by the Hearing Officer, the procedure proposed by CCL and SACE would be unwieldy, causing confusion and disruption in the hearing process. Discerning what testimony should be presented in what proceeding, or what part of a proceeding, would be very difficult, to the point where much of the hearing time could conceivably be occupied with procedural objections. Especially considering the compressed statutory schedule for the proceedings, it is in the public interest to be focused on an efficient presentation of the evidence. That time frame would not provide sufficient time to hold what essentially would be two proceedings, whether the hearing was bifurcated or sequenced. For these reasons, I do not agree that bifurcation would bring simplicity and clarification of the issues at the hearing, and believe that this ground for reconsideration has no merit.

Lastly, the Petitioners argue that it was not possible for them to raise objections to the procedural schedule in January prior to the issuance of Commission Order No. 2018-80, and that revelations since that time make the Motion to Bifurcate even more appropriate. Although I agree that there have been a number of developments since January, it appears to me that the basic issues of abandonment and merger remain the same. As pointed out by Dominion and SCE&G in documents opposing the original Motion to Bifurcate, more than six months ago, after having received motions, comments, and proposals from multiple parties, and after the solicitation of comments from the parties by the Hearing Officer, the full Commission issued Order No. 2018-80. In that Order, the Commission ordered that the three nuclear Dockets be consolidated because of the commonality of issues between the Dockets, and ordered the adoption of the current procedural schedule.

As stated in that Order, multiple parties were supportive of consolidation at that time, and in fact, the Petitioners were supportive of consolidation of two of the Dockets. No mention was made of consolidating the three Dockets and then unconsolidating them as to their core issues. Additionally, none of the parties that support the motion to bifurcate objected to the procedural schedule adopted pursuant to Order No. 2018-80. In general, Dominion and SCE&G assert that the motion was untimely. In fact, the two companies assert that the Petitioners should have sought reconsideration of Order No. 2018-80 within the statutory time frame allowed to request reconsideration or rehearing.

Whereas I do not believe that the Petitioners were required to have sought reconsideration of Order No. 2018-80, other than pointing out that various events have occurred since January, they have not pointed to a specific matter that suddenly required that the abandonment and merger matters be bifurcated. The question could have been raised much earlier in the process. Accordingly, I believe that the original Commission plan as stated in Order No. 2018-80 should be followed.

In sum, because of all the reasons that I have stated, I move that the Petition for Reconsideration be denied.

PRESIDING: Randall

SESSION: Regular

TIME: 3:00 p.m.

	MOTION	YES	NO	OTHER
ELAM	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
ERVIN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
HAMILTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
HOWARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

RANDALL	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
WHITFIELD	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
WILLIAMS	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Absent

Commission Business

(SEAL)

RECORDED BY: J. Schmieding

